

# Exhibit A

***WESCORP FEDERAL CREDIT UNION***

**CORPORATE POLICIES**

Revised October 2007

**SUBJECT**      **Corporate Policies**

**SUPERSEDES**      November 2006 Corporate Policy Manual.

**OVERVIEW**      This manual is designed to provide written statements of policy to govern the operation of Western Corporate Federal Credit Union (WesCorp). There will be an annual review and adoption, the purpose of which will be to:

- 1)      update board members on existing policies and provide them the opportunity to question and understand those policies;
- 2)      reaffirm policy guides for management and staff.

Exceptions to established policies must be made by board action and documented in board minutes.

Where separate policies and procedures have been established (e.g., loan policy, asset/liability policy, personnel policy, operational policies and procedures, security procedures, record retention procedures and contingency plans), they will be referenced but not incorporated in this manual.

It is the responsibility of management and staff to identify recurring problems, and report them to the board for evaluation and policy determination. Board and committee members also have a responsibility to recommend new policies or necessary changes in existing policies.

The board is solely responsible for setting policy. Policy execution is the responsibility of staff.

## Corporate Policies

### 21. INDEMNIFICATION<sup>32</sup>

To provide for indemnification of current and former officials and employees for expenses reasonably incurred in connection with judicial or administrative proceedings, formal or informal, to which they are or may become parties by reason of the performance of their official duties, WesCorp adopts the following as the policy of WesCorp intending that the same shall be and remain a continuing covenant between the institution and the individuals who act in behalf of the institution.

- 21.1 It shall be the policy of WesCorp to indemnify to the maximum extent permitted by either the laws of the State of California or the Model Business Corporation Act the following individuals for any liability asserted against them and expenses reasonably incurred by them in connection with judicial or administrative proceedings, formal or informal, to which they are or may become parties by reason of the performance of their official duties:
  - Current Officials
  - Former Officials
  - Current Employees
  - Former Employees
- 21.2 Further, the Board of Directors declares it to be the policy of WesCorp that the credit union shall purchase and maintain insurance on behalf of the individuals indicated above against any liability asserted against them and expenses reasonably incurred by them in their official capacities and arising out of the performance of their official duties to the extent such insurance is permitted by the applicable state law or the Model Business Corporation Act, but such insurance shall not replace, void or vitiate in any manner the indemnification provided herein.
- 21.3 In furtherance of this policy, the Board of Directors declares that this covenant shall include the recovery of reasonable costs and attorneys fees incurred by an individual so indemnified if such individual is required to engage the services of an attorney, whether or not litigation is commenced, to secure the indemnity provided herein.
- 21.4 The term "official" in this statement of policy means a person who is or was a member of the board of directors, credit committee, supervisory committee, or other volunteer committee established by the board of directors.